

## REMARKS

This is in response to the Office Action dated November 19, 2007. In addition, on December 12, 2007, the Examiner and Applicant's counsel briefly discussed via a telephone conference the applicability of a newly cited reference, U.S. Patent No. 7,020,632 to Kohls et al. At the conclusion of the teleconference, the Examiner suggested briefing the issue of the inapplicability of the new cited Kohls et al. reference. The Examiner additionally suggested that briefing on the issue of inapplicability of U.S. Patent Application Publication No. US 2007/0208645 to Hoffman et al. (which as made of record by the Examiner but not relied upon).

In addition in the Office Action, with regard to Claim 1 the Examiner noted an informality and suggested an appropriate correction. By this Response to Office Action, Claim 1 has been amended accordingly.

### 1. **Office Action Mailed November 19, 2007**

In the Office Action the Examiner rejected Claims 1-7 and 10-27 under 35 U.S.C. Section 103, as being unpatentable over U.S. Patent No. 5,454,104 to Steidlmayer et al., in view of U.S. Patent No. 6,477,647 to Venkatraman et al. and further in view of the Kohls et al. reference.

It is noted that the Kohls reference is a newly cited reference by the Examiner. In contrast, the Steidlmayer et al. and Venkatraman et al. references have been previously cited by the Examiner in the context of obviousness type of rejections. The applicability of these two references has been extensively addressed in prior responses to office action and telecons with the Examiner. The last OfficeAction that included a rejection based upon these two references was mailed March 14, 2006. In this regard, in the telecon with the Examiner, the Examiner agreed that no further briefing as to the Steidlmayer et al. and Venkatraman et al. references would be necessary at this time.

### 2. **U.S. Patent No. 7,020,632 to Kohls et al.**

the Kohls et al. reference is directed towards a trading system for the trading of fixed-value contracts where the contracts of a particular form that has two sides that respectively represent mutually exclusive outcomes. Traders submit bids to a host computer over a

network, and the host computer provides traders with access to all pertinent trading information in real time, automatically matches complementary bids, and enables the immediate clearing and settlement of all filled trades from deposit accounts established by traders using the system. (See Abstract)

Traders may bid on either side of the contract at issue until its determination by the course of events. An example of the particular type of contract that has two sides is sports betting where traders bid on the outcome of a televised basketball match. The host system would provide updated information regarding the updated contract prices and trade volume as the basketball game progresses. The traders that then place trades on either side of the contract at issue (e.g., Blues win or Reds win). (col. 15, ln. 53 – col. 16, ln. 7).

Importantly, the Kolhs et al. reference does not contemplate how the trader goes about making his/her trade decision. Rather, the reference merely contemplates that the trader may place trades using the host system described in the reference. In this regard, the reference states, *“Upon deciding on a trading strategy, the trader viewing the trading pit screen 22 chooses the intended side of the contract (e.g., Blues win, Reds win) and selected Bid Order button 24.”* (co. 16, lns. 4-7). This is a significant departure from Applicant’s claimed inventions that contemplates a system that would automatically generate a trade decision based upon trade trigger criteria being met and automatically place a trade order. (see independent Claims 1, 10 and 19).

It is noted that the reference contemplates the term *“pre-established criteria.”* (see abstract for example). However this is in the context of determining when the contract is terminated. Once the contract is terminated, then the trades can be assessed as to whether they “won” or “lost.” In the passage in the abstract for example, the text reads, *“Upon the termination of the contract in accordance with pre-established criteria, resulting in the determination of a prevailing side of the contract, holders of filled contracts whose bid specified the prevailing “side” of the contract receive the face value of the contract.”* As such, this should not in any way be confused with Applicant’s recited claim term *“trade trigger criteria”* that relates to when a trade decision is generated.

3. **U.S. Patent Application Publication No. US 2007/0208645 to Hoffman et al.**

The Hoffman et al. reference relates to systems and methods for providing investment advice. The system includes a service computer housing an investment advice service accessible via client computer to a server computer. The investment advice service may include a trade advisor component hosted by the service computer and operatively coupled to a database to receive portfolio information for a securities portfolio of the client. The trade advisor component preferably proposes securing transaction to the client at least in part based on the comparison by the asset allocator of the portfolio information with a benchmark. (See paras. [0015] – [0016]). In an embodiment, the invention presents stock recommendations from multiple sources. Each source supplies recommendations about future stock return on a wide universe of stocks. (See para. [0055]). In this regard, the Hoffman et al. reference teaches that the system merely advises the client and that the client ultimately decides whether to accept the advice and act upon it. This is a significant departure from Applicant's claimed inventions that contemplates a system that would automatically generate a trade decision based upon trade trigger criteria being met and automatically place a trade order. (See independent Claims 1, 10 and 19).

In view of the forgoing, Applicant submits that the case is now in a condition for allowance. If any additional fee is required, please charge Deposit Account Number 19-4330.

Respectfully submitted,

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